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TAGS: PREL PHUM MARR PGOV NK SK JP RU IN CH
SUBJECT: A/S CAMPBELL'S DINNER WITH CHINESE ACADEMICS: NORTH KOREA, POTUS VISIT, MIL-MIL, JAPAN, INDIA, SCO

Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1.4 (b, d)

¶1. (C) SUMMARY: At an October 13 dinner with EAP Assistant Secretary Kurt Campbell, three leading Chinese international affairs experts urged the United States to start bilateral talks with North Korea. China had done its part by keeping pressure on the DPRK, they said, but now it was up to the United States to engage Pyongyang directly. The scholars urged President Obama to use his upcoming visit to interact with average Chinese and express concern for China's underclass. President Obama remained popular in China, they said, though the decision to impose new duties on Chinese tires and the President's plans to meet with the Dalai Lama after his China visit had caused this public support to soften. All agreed that the U.S.-China military-to-military relationship lagged behind political and economic ties, and they endorsed the idea of building "strategic reassurance." One guest said China was pleased by the Japanese Prime Minister's promise not to visit the Yasakuni Shrine or meet with the Dalai Lama. China was "cautious but open" toward Japan's proposal for an East Asia Community, but wanted to first conclude a trilateral free trade pact with South Korea and Japan before considering new regional multilateral initiatives. The scholars said the United States should not be concerned by the Shanghai Cooperation Organization, which would remain functional in nature and had limited potential to expand. End Summary.

¶2. (SBU) The DCM hosted a dinner with Chinese international relations experts October 13 in honor of EAP Assistant Secretary Kurt Campbell. The Chinese participants were Jin Canrong, Vice President of People's University's International Relations Institute; Yuan Peng, Director of American Studies at the China Institutes of Contemporary International Relations (CICIR, a think tank affiliated with the Ministry of State Security); and Zhu Feng, Director of the International Security Program at Peking University's School of International Studies.

North Korea

¶3. (C) CICIR's Yuan Peng told A/S Campbell that China hoped the United States would "seize the opportunity" presented by Premier Wen Jiabao's recent visit to Pyongyang and engage North Korea in bilateral talks. The North's most recent missile launches, he said, were "another test" to gauge the United States' reaction. He urged the United States not to react in a "harsh way" to the latest missile firings. The goal of all sides, Yuan added, should be to prevent a third nuclear test by the DPRK. Zhu

Feng, of Peking University, agreed that the "ball was now in the United States' court" and Washington-Pyongyang bilateral talks were necessary to move the process forward. China, Zhu said, was still unclear about the DPRK's ultimate goals -- whether the North wanted denuclearization, withdrawal of U.S. troops, or something else -- and bilateral U.S.-North Korea talks could help clarify this question. If Washington-Pyongyang talks failed, "then we could think of next steps." China had done its part by keeping pressure on North Korea to return to the Six-Party Talks, Zhu said, but now it was up to the United States.

¶4. (C) A/S Campbell responded that the United States was willing to engage in bilateral discussions with the DPRK. However, the U.S. would not engage in a protracted series of bilateral meetings with the DPRK. The North would need to return to the Six-Party Talks after one or two meetings. The DPRK would also need to reaffirm its past commitments made in the Six-Party Talks. A primary goal of the United States, A/S Campbell stressed, was to maintain solidarity among the five parties. The North's recent missile tests, A/S Campbell added, fit a well-established pattern of North Korea trying to create higher anxiety at a critical moment.

POTUS Visit

¶5. (C) A/S Campbell told the scholars that President

Obama was looking forward to his visit to China in November and viewed the bilateral relationship with great importance. People's University's Jin Canrong said the majority of young people in China held positive views of President Obama although the Nobel Peace Prize decision had generated some controversy. Yuan Peng, while agreeing that President Obama's image in China remained good overall, said the President's decision to impose duties on Chinese automobile tires had put a dent in his popularity. The White House announcement that President Obama would meet with the Dalai Lama after his trip to China also sparked a negative public reaction, according to Yuan. "There is a feeling," Yuan said, "that Obama needs China but still does not take China's interests seriously."

¶6. (C) Zhu Feng urged President Obama to use his visit to show concern for China's lower classes. The President could meet with local-level social workers and volunteers working with the disabled and the poor. Yuan Peng, however, warned that such an event could be misinterpreted as a criticism of the Communist Party for not caring enough about disadvantaged groups. Rather, President Obama should meet with average people in a "less political" way. President Hu Jintao had recently visited Beijing's Summer Palace, where he shook hands with Chinese tourists and rode a newly opened subway line. President Obama could do something similar, and this would show that Presidents Obama and Hu were "coordinated" and that both leaders cared about ordinary citizens. More generally, Yuan added, President Obama should talk directly to China's interests during the visit and "show respect for China's model, social system and sovereignty."

Mil-Mil and Strategic Reassurance

¶7. (C) A/S Campbell told the scholars that the American and Chinese militaries remained too

distrustful of one another and the USG wanted to see a resumption of mil-mil dialogue. Yuan Peng agreed that the mil-mil aspect of the relationship lagged behind political and economic ties. The first 30 years since U.S.-China normalization had been marked by many political and economic successes, Yuan said, but military and security ties represented the "future" of the bilateral relationship over the next 30 years. Zhu Feng observed that the People's Liberation Army remained "very conservative" in its approach to mil-mil relations. Zhu said he was familiar with Pentagon complaints that the PLA did not reciprocate with adequate openness. The relationship between the PLA and the U.S. military was in a "downturn, but not a spiral," Zhu said, and the mil-mil dialogue "still needs a critical push from the top leadership" to get off the ground. Jin Canrong, however, disagreed that PLA distrust of the United States was on the rise. PLA views of the United States, he argued, were actually steady. What had changed in recent years was the Chinese military's increasing outspokenness within China's political system. In the past, Jin said, the PLA had remained silent. Now, the PLA was more confident and willing to speak out. The U.S. side needed to "be patient" about the mil-mil relationship and get used to a PLA that "speaks louder." The two sides should continue to let the political relationship develop and, if things stayed on the current track, then the mil-mil side would eventually improve too, Jin said.

¶8. (C) Yuan Peng, referring to Deputy Secretary Steinberg's September 24 speech to the Center for New American Security, asserted that building "strategic reassurance" and trust was more important than mil-mil dialogue. The U.S. counter-terrorism front, he said, was moving eastward and pushing against China's western border and its security interests in Xinjiang. The PLA, meanwhile, was seeking to expand its space in the Indian Ocean and the South China Sea, which also created potential friction with the United States. Hence, the two presidents should speak frankly about their respective strategic intentions, and the United States side could do more to explain its counter-terrorism strategy. The Deputy Secretary's concept of "strategic reassurance" was a "positive idea from China's perspective" and showed that the U.S.

intended to adapt to China's rise, but, Yuan said, it was unclear how much President Obama supported the concept. A first step toward building greater strategic trust, Zhu Feng said, would be to change the tone of the Quadrennial Defense and Nuclear Posture Reviews. Zhu said the China language in the last QDR had worried the PLA and Chinese military leaders would be watching the upcoming QDR closely. A/S Campbell said the strategic reassurance concept needed to be fleshed out and the two sides had to think about how to put the idea into operation. The Obama Administration, A/S Campbell stressed, wanted to create a new vision for relations with China that focused on constructive issues and not threats.

India

¶9. (C) Asked about the state of China-India relations, Jin Canrong said China wanted a stable relationship with India but "the mentality of Indian elites," who were fixated on the memory of the India-China border war, was standing in the way. Some in China, Jin added, were concerned about expanding U.S.-India ties, but the mainstream view

in the Chinese government was that India could have good relations with both the United States and China.

Japan, East Asia Community

¶10. (C) Turning to China-Japan relations, Zhu Feng said China had been pleasantly surprised by Prime Minister Yukio Hatoyama's announcement that none of his cabinet members would visit the Yasakuni Shrine. Zhu claimed that Hatoyama had also pledged not to meet with the Dalai Lama. China, however, remained uncertain in its dealings with Japan because the Chinese side was unsure how long Hatoyama's government would be able to stay in power. If the new Japanese government survived beyond a year, Zhu said, then the two sides would have a "historic opportunity" to improve long-term relations. A/S Campbell asked how China had reacted to Hatoyama's proposal to establish an East Asia Community. Zhu said China was "cautious but open" to Hatoyama's idea. China's current focus, however, was on reaching a trilateral free trade agreement with South Korea and Japan. Such an FTA, if achieved, could become the cornerstone of an East Asia Community. But if the FTA failed, Zhu said, then "we can forget the EAC proposal." Jin Canrong added that there was no desire in China to create an East Asia version of the European Union. Future multilateral cooperation in East Asia would continue to be issue oriented, Jin said. Jin added that there were already "too many multilateral arrangements and meetings" and this was creating fatigue in the Chinese government. Jin said Premier Wen Jiabao had reportedly complained to his staff about having to attend "one conference after another" with few concrete results.

Shanghai Cooperation Organization

¶11. (C) The three scholars downplayed the significance of the Shanghai Cooperation Organization (SCO), characterizing it as having little potential to expand. The SCO, Zhu Feng said, remained in a "nascent" stage with a narrow focus on functional issues. Yuan Peng said China viewed the SCO as important for combating the "three evils" (terrorism, extremism and separatism) and for creating a "buffer zone" to China's west. China was witnessing the expansion of U.S. influence in Afghanistan, Pakistan and the Central Asian states. The SCO, Yuan said, thus offered China a way to "play a role" in the region, though China did not view the SCO as a "hedge" against the United States. Jin Canrong said there were still "natural limits" on the SCO. The SCO, he said, had been initiated by the Central Asian states that wanted to reduce their traditional reliance on Russia by reaching out to other big powers. The "stans" had proposed the SCO as a way to engage China, and this remained the driving dynamic behind the organization. The Central Asian states, however, also wanted to pursue relations with other powers, including the United States, India, Japan and the EU. Russia also did

not want the SCO to become too active, according to Jin.

¶12. (U) A/S Campbell's delegation cleared this message.
HUNTSMAN